TRADING PLAN

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Trading plan created for the organization of the start-up of the Bill Williams' strategy mixed with chartism and concepts of his own. harvest.

OBJECTIVES

GENERAL OBJECTIVE

- Create a strategic plan that facilitates professional and profitable practice. consistently trading, operating micro futures contracts in especially those from the New York Stock Exchange.

SPECIFIC OBJECTIVES

- Self-knowledge, finding the emotional aspects that affect a cash trading, and correct it
- Define the routine.
- Identify the tools, indicators, and key concepts to operate.
- Define the tactics to be used according to the different input and output events. output of the operations.
- Have a well-defined risk management for each operation, daily and weekly.
- Project the business in the short, medium, and long term, based on probabilities.

MISSION

Create an effective trading plan that leads me on the path to consistency, using a strategy that is probabilistically favorable and allows to transform this activity into a serious and profitable profession, so that in the future to achieve financial and time freedom, breaking paradigms, and with look to help other people who are interested in the topic.

VISION

This trading plan aims to be an effective tool by the end of the year 2019, based on hundreds of tests, seeking optimization and improvement continues, and thus confirm the strategy, at the beginning of 2020 as long as the If the strategy works, we will start trading live with an initial account of 1,000. dollars; by the end of this year, the account must be at least 5,000, and for the year By 2025, the account must be at least 500,000, using the magic of interest. composed, and based on real profitability, it is probabilistic and mathematically possible.

CHAPTER 1

Self-knowledge

The mastery of investment is the byproduct of self-mastery.

SWOT ANALYSIS

1. Weaknesses

I am stubborn
1.2. I find it hard to accept advice
1.3. I judge the market
1.4. I struggle to respect the indicators
1.5. But about vengeance

2. Strengths

2.1, I am patient
I like to research.
2.3. Passionate about trading
2.4. Constant
2.5. Self-disciplined

3. Opportunities

3.1. A lot of information on the internet.
One can earn both when the market rises and when it falls.
3.3. The market always gives opportunities
3.4. Plenty of broker offerings.

4. Threats

4.1. Market instability due to the trade war between the USA and China
4.2. Brexit
4.3. Junk Information on the Internet.
4.4. Coronavirus, panic in markets.

RISK MANAGEMENT

The maximum risk per trade is 1.5% of the total account.
day.
The maximum weekly risk is 4.5%.

the most suitable stocks to trade are the stocks that have a price
less than 120 dollars, below:

- TWITTER $29 per share
- IBM 126$
- INTEL 60$
- EBAY 39$
- CISCO 42$
- DISNEY 108$
- ORACLE 53$
- QUACOM $79
- VERSION 57$

therefore, the lot size was configured according to the stock price and the maximum of risk in 3 types, light, intermediate, and heavy, the decision to enter lightly or heavily it is based on the signal strength and the area where it is located (see strategy).

ACTION	VERY LIGHT	LIGHT	INTERMEDIATE O	Slightly heavy, stupidly.		HEAVY
TWITTER	10.00	20	30	40	50	60
IBM				10	15	20
INTEL		10	15	20	25	30
EBAY		10	15	20	30	40
CISCO		10	15	20	30	40
DISNEY				10	15	20
ORACLE		10	15	20	30	40
QUACOM		10	13	16	20	30

VERSION		10	15	20	25	30

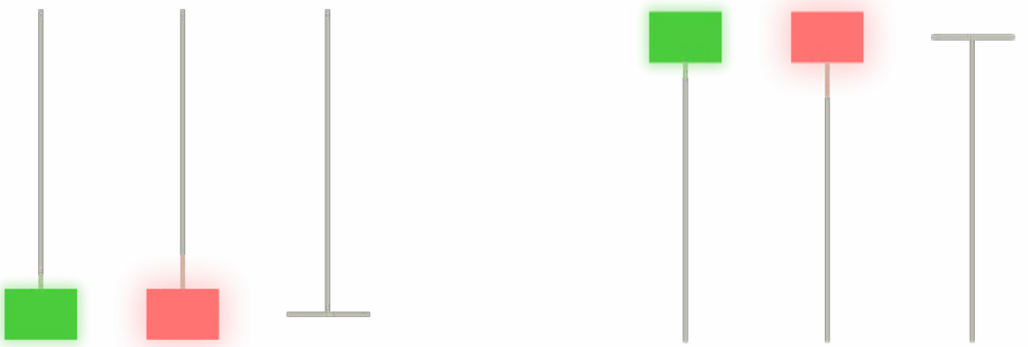
STRATEGY

ENTRANCES

1.1. Elephant Candle

An elephant candle is a candle that stands out for its size compared to the candles nearby. This candle could be the beginning of a great trend, that's why It will be 70% of our entries.

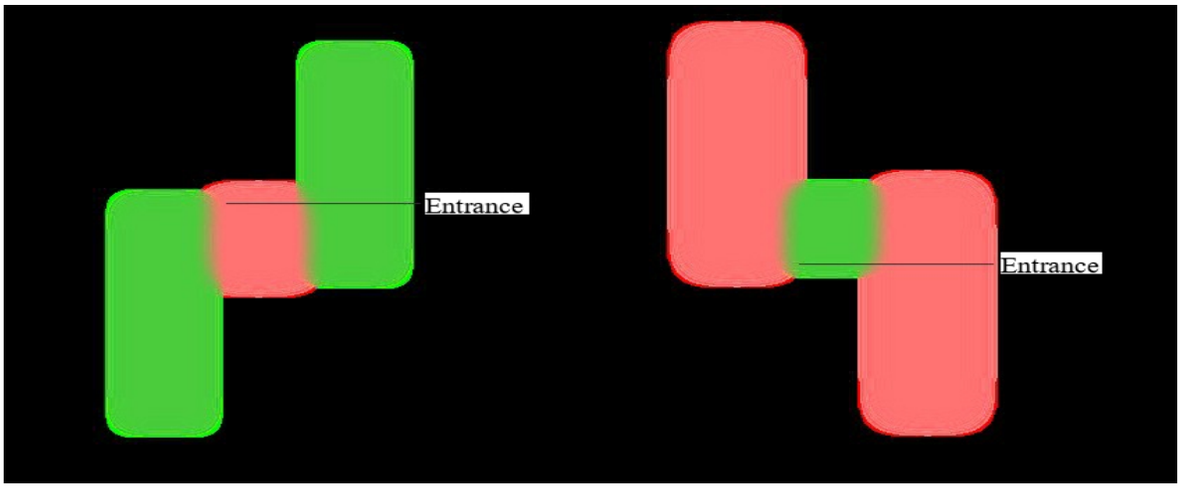
1.2. Stern Sail



We will consider a tail candle when it has a long wick on one direction (More or less 80% of the body size) and it is a pattern of entry, since it tends to show us that the previous movement is canceled by

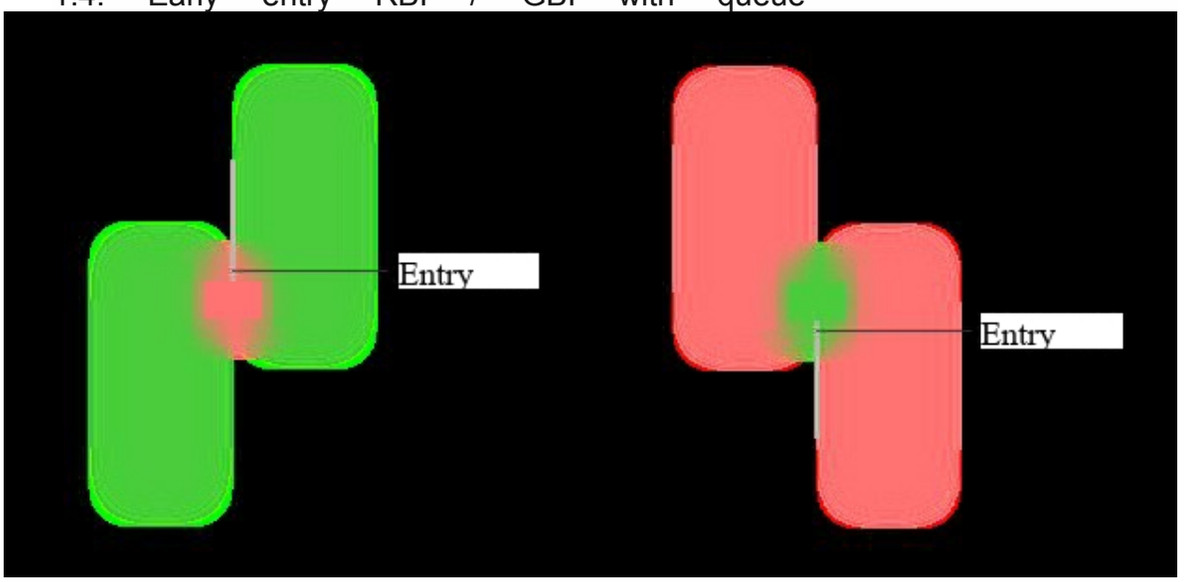
which we can use as input in relevant areas. (If there are two or more of these patterns have more power and strength.

1.3. Ignored Red/Green Light (RBI / GBI)



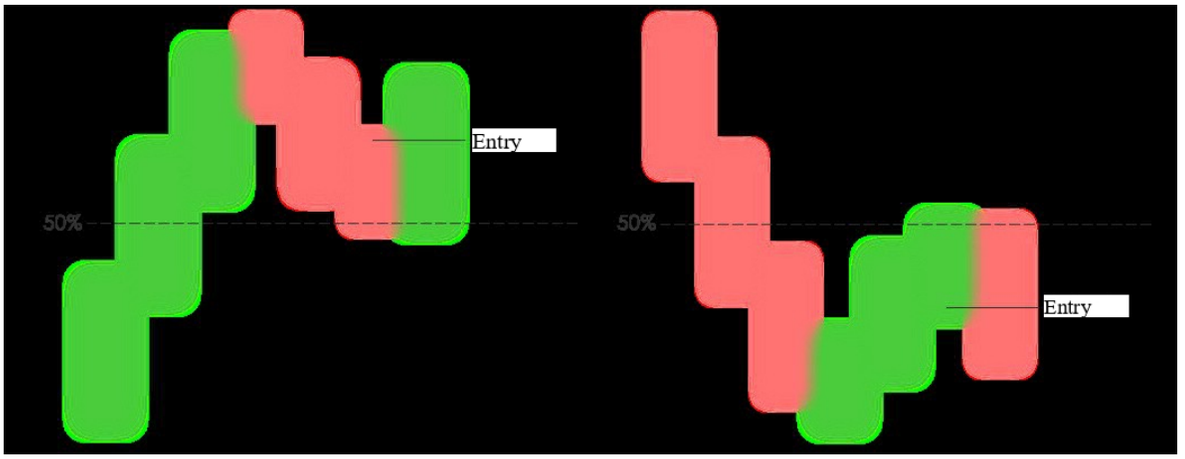
An ignored candle appears in a strong movement in one direction, which
The ignored candle tells us that there will be no retracement and it's an excellent idea.
to add operations to the market. The first ignored candle from our
Entry is mandatory since at the beginning of the trend it has great power.

1.4. Early entry RBI / GBI with queue



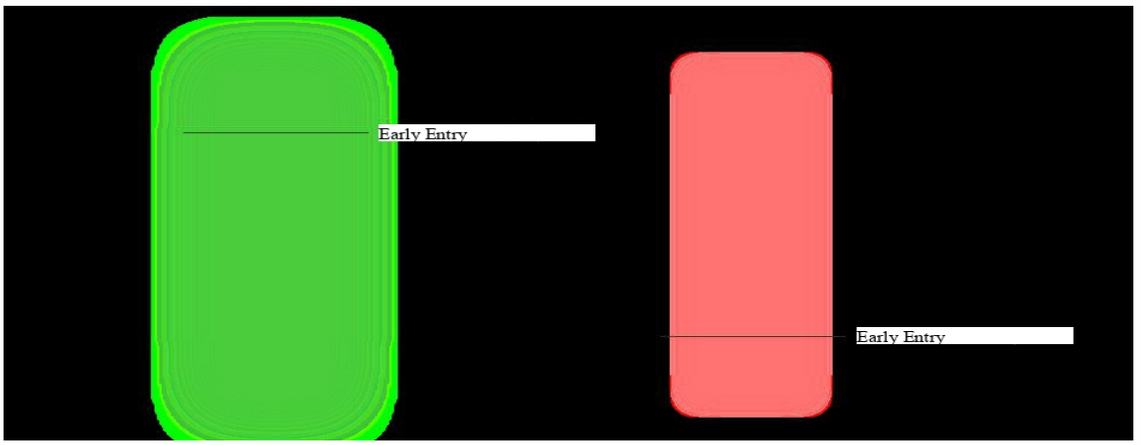
This pattern is the same as the ignored candle, but its wick can confuse us.
which we have to ignore and enter when the candle is ignored in our favor.

1.5. Pullback Entry



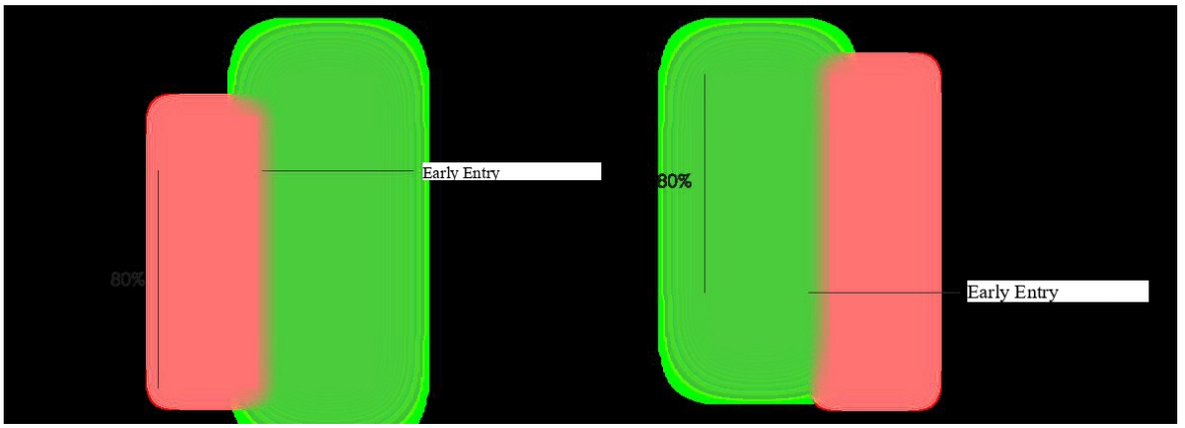
Pullback is when the price retraces, in this case if it retraces 50% of last movement we will enter when the color of the correction it is canceled such as by a Bull or Bear 180.

1.6. Elephant Vela Plus (Early Entry)



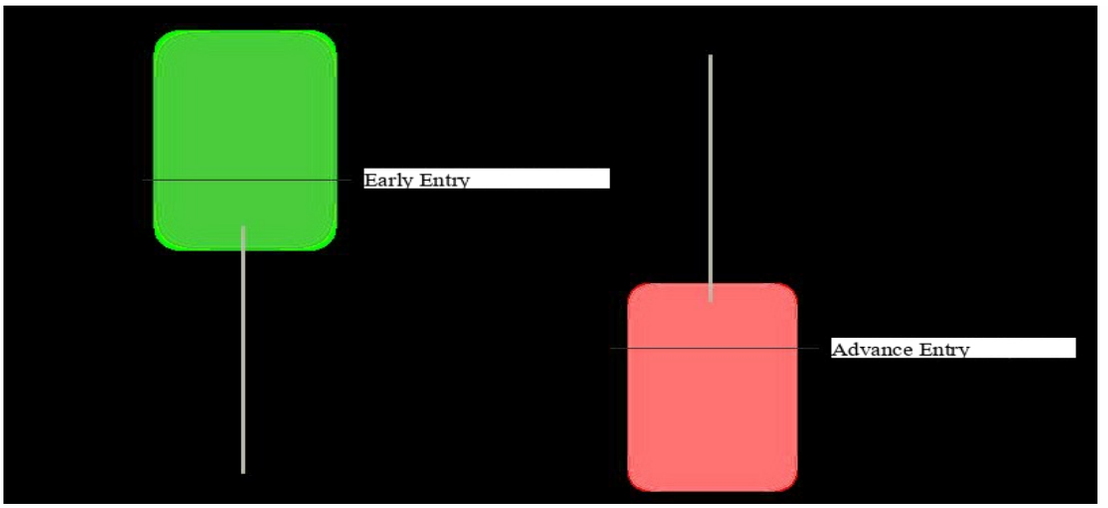
When we realize that a normal elephant candle (A candle that stands out in size compared to the rest) keeps growing beyond its size We must enter this candle early for two reasons 1 - Because you are wasting a movement with a lot of determination in one direction and 2 - If the price rises too much we will no longer be able to enter because the stop loss will be too far away and we would assume too great a risk.

1.7. Early Entry Bull 180 / Bear 180



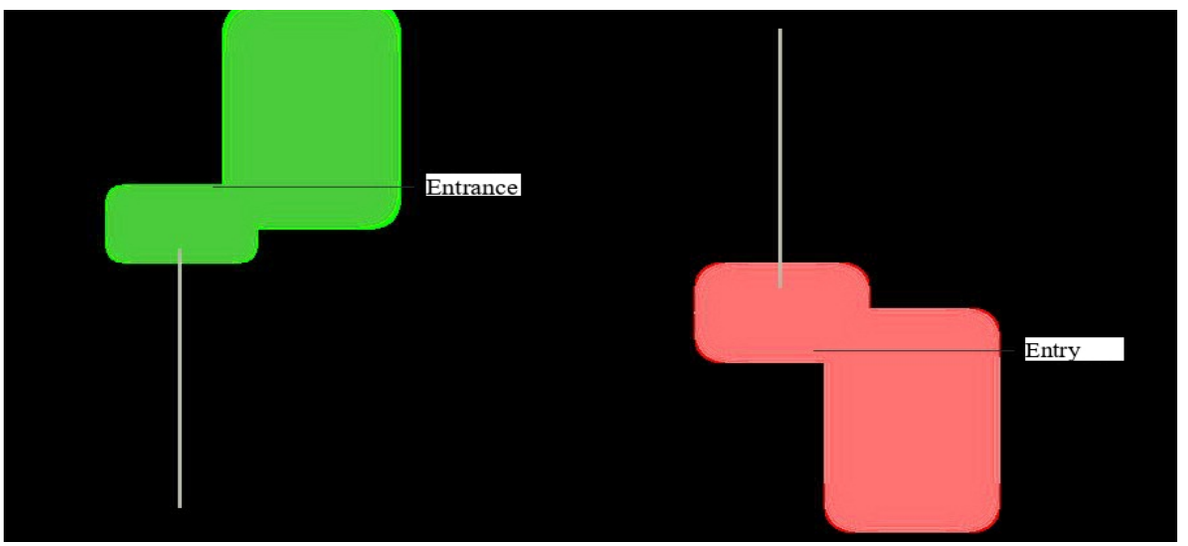
When an elephant candle is eliminated by the opposing candle, we can anticipate the entry at 80% of the elephant candle's range since if a candle is able to remove 80% of an elephant candle / elephant plus candle that means that it it had ended up transforming into a Bull 180 / Bear 180 that's why if we are in a The correct position to change direction is a good time to give it return to the market before the price leaves without us.

1.8. Early entry in stern sailing



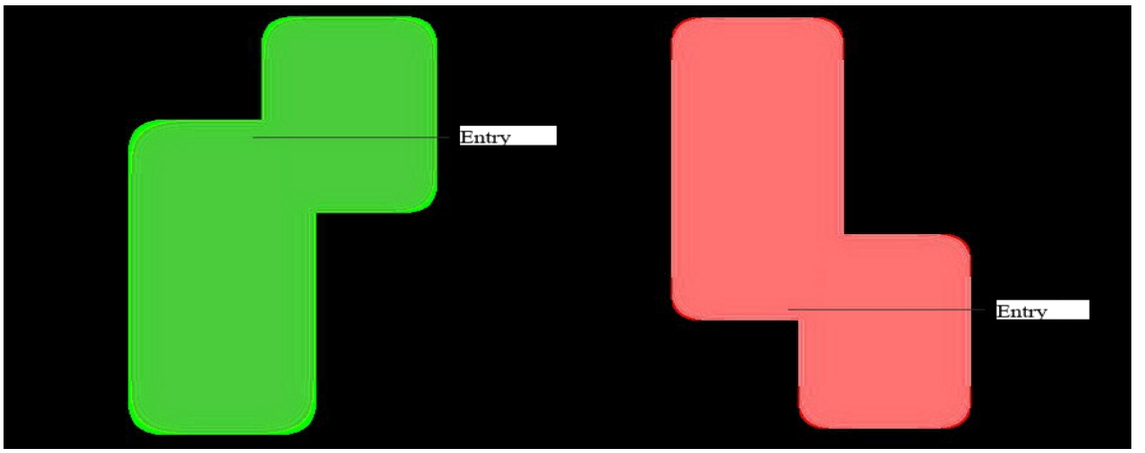
When a tail candle starts to shoot in one direction, increasing its body, it is not wise to wait for its closure the best we can do is anticipate the movement and enter the market by surfing the strength bullish/bearish.

1.9. Entry by confirmation in tail candle



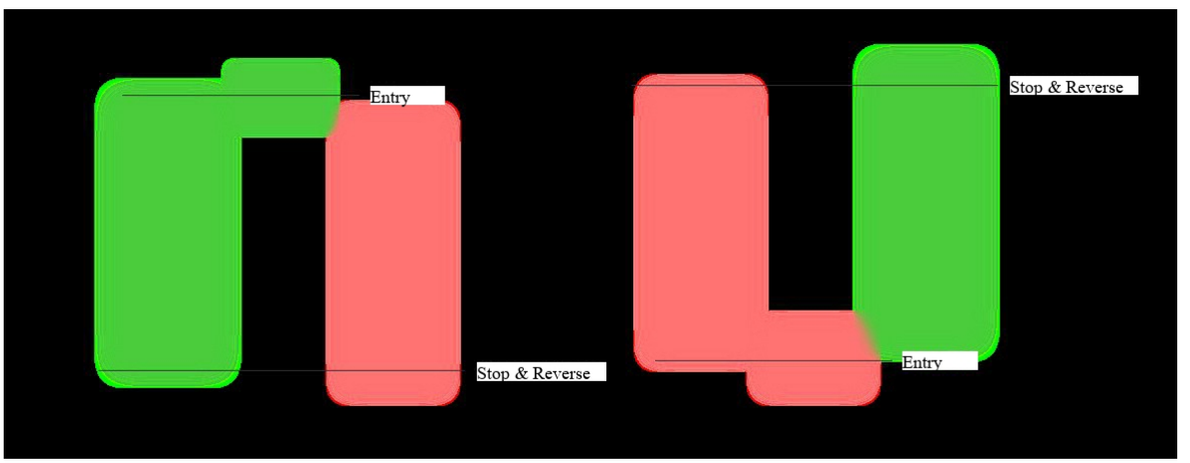
When we have a tail candle, the most common entry is to wait for it to It is confirmed by a movement in favor of the boss.

1.10. Entry in elephant candle with confirmation



When an elephant candle is not attractive enough what we should do to do is to seek confirmation. When the second candle exceeds the first candle elephant it's time to enter the market.

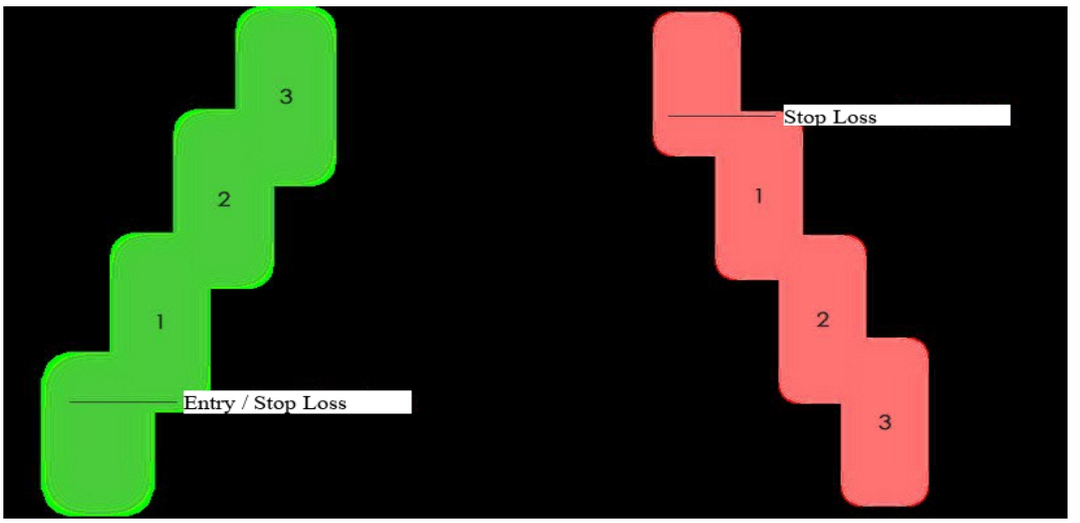
1.8. Stop And Reverse



When the operation goes against us and depending on the situation we can executing a 'Stop And Reverse' basically means that we use our stop to exit the market and enter in the opposite direction. It's excellent to use that technique when we know there is a lot of strength, but the market has not defined well the direction to shoot oneself (It is advisable to use this technique in the market openings and always complying with the rules of the strategy

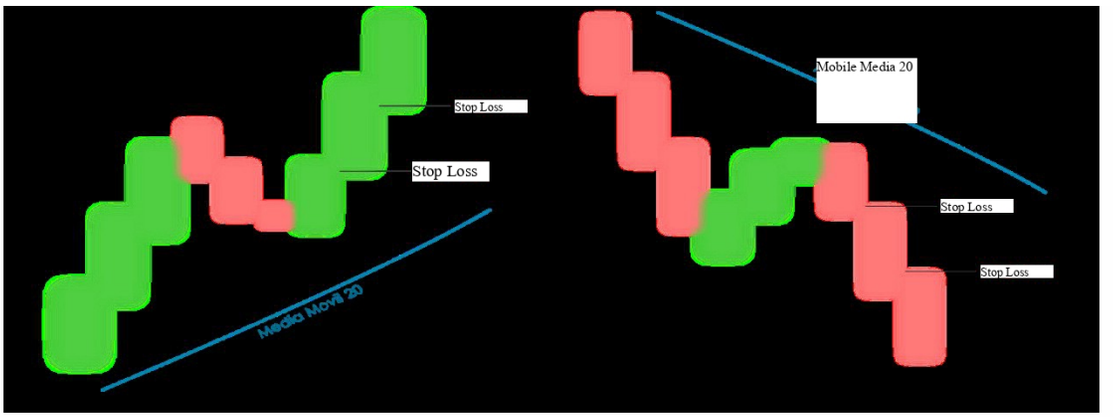
2. MANAGEMENT OF STOP LOSS

2.1. Move the Stop to Break Even (Entry Zone)



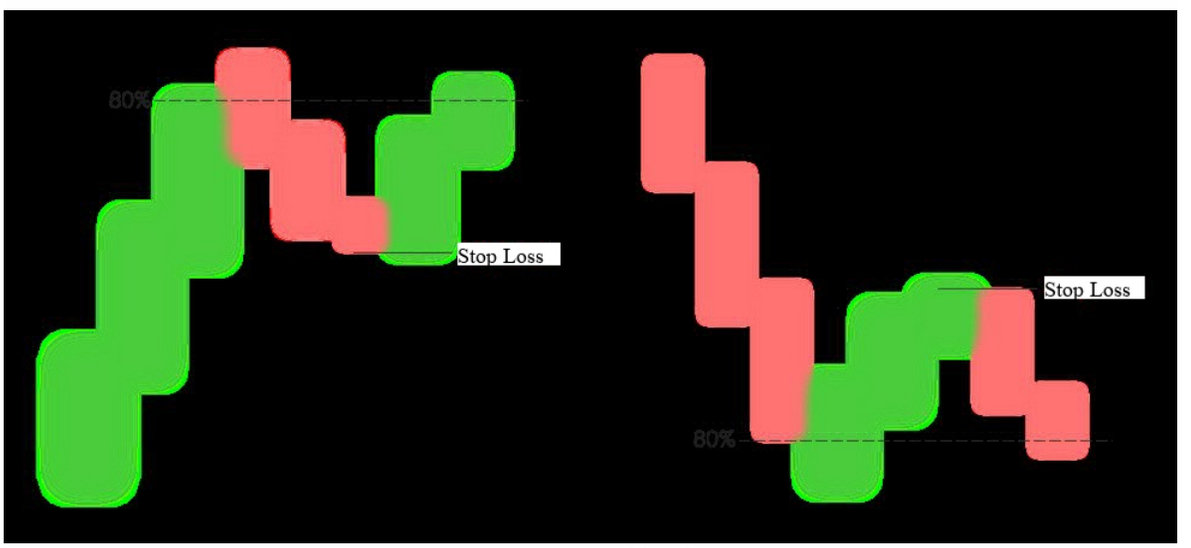
When you have received three market impulses in your favor, you are given the option to move your Stop to the Break Even zone (Zone where you neither gain nor lose in case of that the price goes against you) That technique is very powerful because in that you completely eliminate the risk and aim to achieve significant profits.

2.2. Stop Sail to Sail (elephant sails)



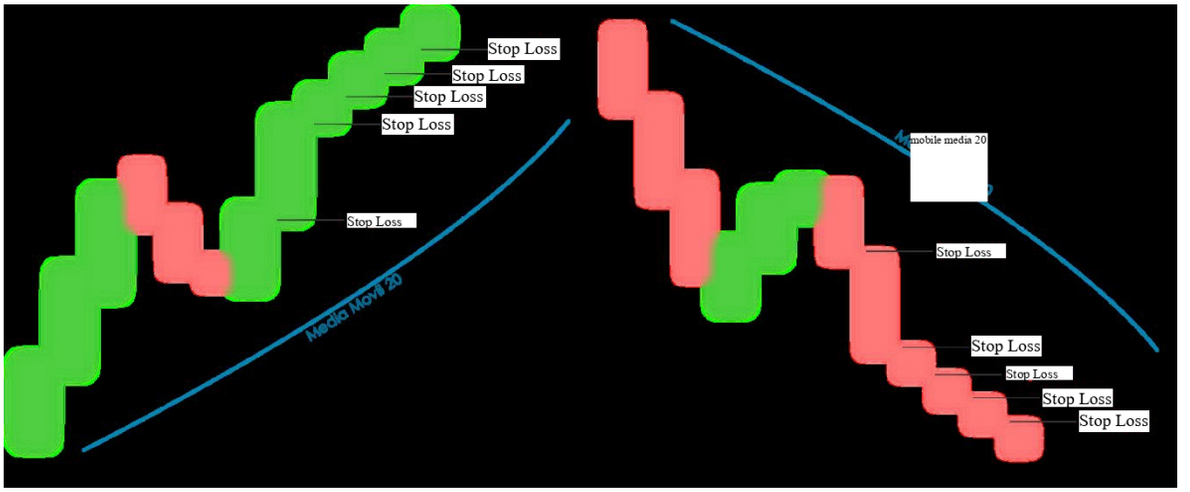
When the trend has elephant candles within it, that gives us a good point. to place a stop loss below because the strength of the candle prevents price returns to that zone, we can use that stop when we are looking for a point close to the price to ensure profits.

2.3. Stop at the Pivot



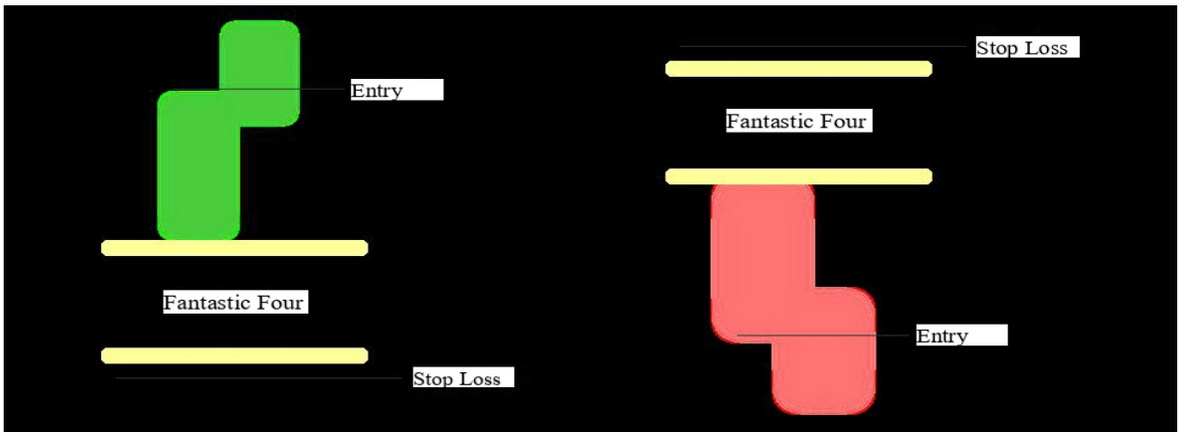
When we have a pullback and it recovers 80% of the trajectory we have the option to place a stop below the pivot in this way guarantees benefits in an area where it is very unlikely that the price will return.

2.6. Stop Sail to Sail



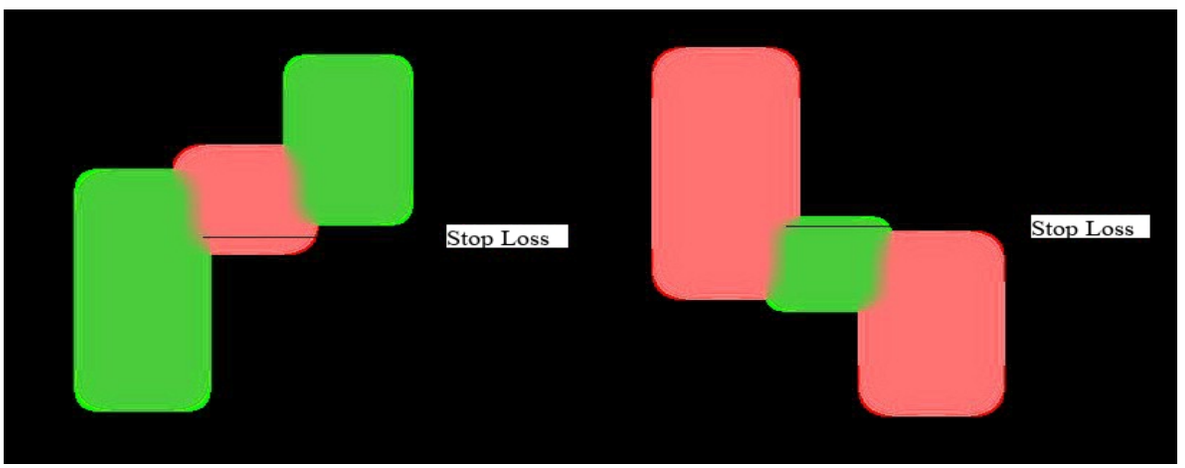
When a pullback has already occurred and the price seems to shoot up. separating a lot from the moving average, as we know that this rise is a the final movement of the trend is smart to optimize every minimum as much as possible benefit for that we are going to move our stop candle by candle until the price take us out of the market

2.7. Stop the maximum loss per operation



When we are given the opportunity to enter close to the Fantastic Four
We have to use the maximum loss stop per operation so that the stop
I stayed below the Fantastic Four or as far away as possible from the entrance of this.
How do we ensure that if the price returns to the zone of the fantastic four?
One of them will cause the price to turn in our direction. (It is
it is important to know our maximum loss per operation and maximum loss per
Normally, the maximum loss per day is two lost trades.
followed.

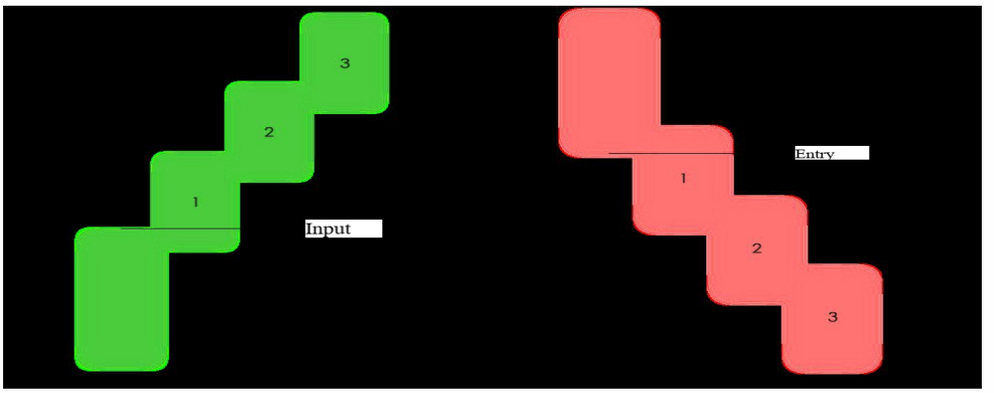
2.8. Stop at Ignored Red/Green Light (RBI / GBI)



When we make our first entry in a "Red/Green Candle" pattern
"ignored" we should adjust our stop loss below the candle.

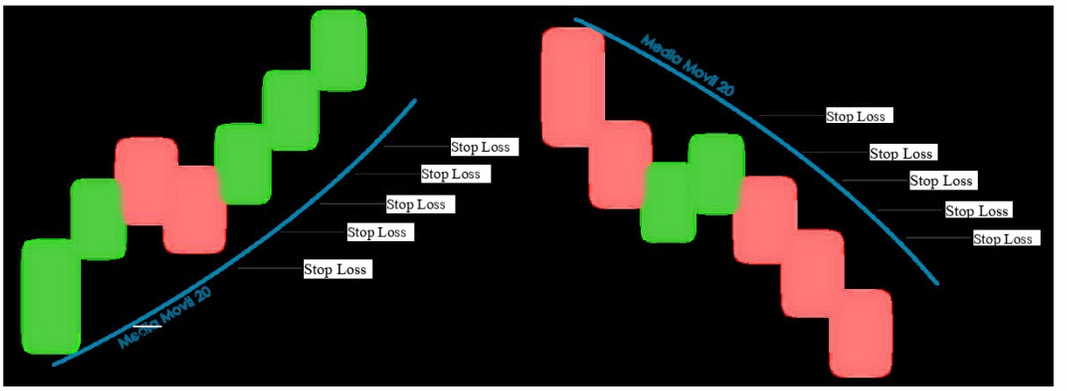
3. OPERATIONAL OUTBOUND EVENTS

Option to exit with gains in 3 impulses



Once we have three clear impulses in favor of our entry, we have the option to exit the market either totally or partially. This rule was put in place to avoid people who cut benefits very quickly. (Three impulses does not mean three. candles, we can add or divide candles to see three clear impulses at our address).

3.2. Stop next to the Moving Average 20 / 8



When we have a very solid and calm trend, it is time to use Stop.
Loss below the moving average of 20 periods or that of 8 (The moving average of 8 We will use periods when the price grows very aggressively) When the
Price breaks the moving average and confirms it with another candle, we must exit by stop. loss.

Exam answers:

What is Break Even?

A starting point of the market with neither loss nor gain.

2. When do we adjust the STOP to Break Even?

When we have 3 impulses in our favor.

3. When to use maximum loss per operation?

When the price is near the breakdown of the fantastic four.

4. When did we earn the right to collect profits in the openings?

When we have three strong impulses in our favor.

5. At some point in the strategy, are we obliged to Sell when we are winning?

This strategy will never force you to sell at a profit (The idea is to let it flow profits for the longest possible time.

6. If you have 5 pushes from the entrance, where will you have the STOP?

It is recommended to place a Stop candle by candle as the market has grown. a lot.

7. If we have a pivot with a retracement of 80% where Shall we put the STOP?

We can place the STOP just below the pivot.

8. ¿Qué significa RBI y GBI?

Ignored Red Candle and Ignored Green Candle.

9. Is it mandatory to re-enter on the first ignored candle? inside the market?

Yes, because the opportunity is quite secure.

10. If we have double depth, what do we have to to monitor?

A market pullback due to the trend being very mature already (like a The apple on the tree) needs to be watched because it is about to fall.

11. If the market is difficult but we are already in, what Shall we?

- TRICK QUESTION! we have to follow the rules, no getting carried away by the feelings, no matter what we think and no matter how the market is, we have to follow the rules of the strategy!

12. Is it mandatory to enter the first pivot?

Yes, they are very safe entry areas, even if it is the first entry that we did it!

13. When will we make a big purchase and when Shall we make a light purchase?

In phase 1 we will always make a large purchase and in phase 2 we will make a purchase. light! also applicable when we have a GAP at the opening, if the GAP is small we will enter strongly and if the GAP is big we will enter lightly because we are entering in the half of the trend and it is more dangerous to risk a large capital.

14. What are the names of our 4 candle patterns?

Stern sail, Elephant sail, Bear 180/Bull 180 and Delayed cancellation.

15. What is the purpose of the 8-period Moving Average?

When the market is rising/falling so strongly that it doesn't return to the 20-period moving average. Then we replace the 20-period Moving Average with the one with 8 periods.

16. How many stages does a trend have?

Three.

What is a gift zone?

When the price moves against us at the entry opportunity, all the
the journey that goes against us is an extra we earn before it
I produce the desired movement and we have to take advantage of it to enter.

18. What is a trap zone?

When a support or resistance is broken but then the market reverses
with a lot of strength. Big funds use that technique to position themselves against
hidden trend without creating large movements in the price.

19. What is averaging used for?

To avoid a loss and leave without a profit or loss.

20. What are the Fantastic Four?

Maximum, Minimum, 20-period Moving Average and 200-period Moving Average.

21. What is a GAP?

A market jump that leaves no candle in between, tends to be large
capital quantities that enter the market causing a jump in price to
another.